



United States
Department of
Agriculture

Forest Service

Humboldt-Toiyabe National Forest

June 2013

SCOPING NOTICE AND OPPORTUNITY TO COMMENT

CENTENNIAL – SELIGMAN MINING & EXPLORATION PROJECT

ELY RANGER DISTRICT
WHITE PINE COUNTY, NEVADA

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INTRODUCTION

The Ely Ranger District of the Humboldt-Toiyabe National Forest is preparing an Environmental Assessment under the National Environmental Policy Act (NEPA) on Mt. Hamilton LLC's (MHLLC's) Centennial — Seligman Mining Project, White Pine County, Nevada. This letter serves as the Scoping Notice and provides an opportunity to comment on the Project. The Project is subject to the Predecisional Administrative Review Process under 36 CFR §218. The Project Mine Plan of Operations can be reviewed at the Ely Ranger District Office during normal business hours. Further information is also available from Susan Elliott, Forest Geologist and Project Lead, at (775) 778-6123.

LOCATION

The Project is located on the western flank of Mt. Hamilton in the White Pine Range at the site of Rea Gold's previously mined Northeast Seligman (NES) deposit. The Project is located on National Forest System (NFS) lands administered by the United States Forest Service (USFS) in Sections 5, 8, 9, 10, 15, 16, 17, 20, 21, and 22, T 16 N, R 57 E, MDBM. The Project area is accessed via US Highway 50, then south on County Road 5 to several unimproved roads that lead to the project (Figure 1).

PROPOSED PROJECT OVERVIEW

The majority of Project activities are within the disturbance footprint of a previously mined area. MHLLC proposes to conduct new mining operations at the Centennial and Seligman ore deposits, and new exploration drilling operations at sites previously drilled within the Project. All exploration and mining activities and associated new disturbance would occur on NFS lands and private land. The Project boundary encompasses approximately 1,404 acres on NSF land and approximately 34 acres of private land surrounded by NFS land. Anticipated operational mine life is approximately ten years depending on the rate of mining, followed by five years of post-operational monitoring, which includes two years of reclamation. Proposed activities would include mining operations within the Project area as well as new exploration drilling activities, depending upon economic conditions and exploration results.

PROPOSED ACTION SUMMARY

The Proposed Action would consist of mining and exploration activities within the Project Area as shown on Figure 1 and described in Table 1. The elements of the Mine Plan include mining two pits: the Centennial Pit and the Seligman Pit. The existing NES Pit (formerly mined by Rea Gold) would be deepened and designated as the Seligman Pit in this Mine Plan. Mining in the Seligman Pit would occur almost entirely within the historical NES Mine footprint. The Centennial Pit would be located adjacent to and south of the Seligman Pit.

The Centennial deposit was identified in the 1990s where past road building, drilling, grubbing, and general surface preparation was conducted at the location of the proposed Centennial Pit in preparation for open pit mining; however, mining was never initiated. A portion of the disturbance associated with exploration during the 1960s through 1990s and the mining in the 1990s has been partially reclaimed, including certain parts of the waste disposal areas and some of the drill and access roads. There are patented claims (private land) located within the Project Area boundary that have been affected in the past by mining and would be affected by the proposed mining operations.

Table 1: Proposed Surface Disturbance within the Project Area¹

Component	Proposed Surface Disturbance (acres)	
	NFS Land	Private Land
Seligman Pit ²	38.4	6.3
Centennial Pit ²	103.6	12.4
Waste Rock Disposal Area	147.8	2.3
Ore Stockpile and Crushing Facility/Ore Pass	7.7	0.0
Mine Operations Office and Truck Shop Facilities	3.0	0.00
Haul Roads	93.0	5.0
Access/Utility Roads	4.0	0.0
Water Supply Well and Associated Infrastructure	0.3	0.0
Exploration (Phase I – 11.5 acres of disturbance)	50.0	0.0
Total	447.8	26.0

Existing disturbed acreages would be re-disturbed as part of the Proposed Action and have been included in the proposed disturbed acreage totals.

Mineralization is near surface and would be mined by conventional open pit mining methods using trucks and shovel/loaders to extract ore and waste rock. Drilling and blasting would be used to fracture the rock prior to excavation. Waste rock would be hauled to the waste rock disposal area for permanent placement. Ore would be loaded into haul trucks for transport to the ore stockpile and primary crushing facility. The ore would be crushed to minus four inches and conveyed to an ore pass. The ore would drop through the ore pass for underground conveyance off site to the processing facilities.

Proposed exploration drilling activities under this Mine Plan would create up to 50 acres of total surface disturbance and would consist of drill roads (some of which are existing), drill pads, and laydown areas.

The existing Seligman Canyon production well (Primary Well) and a monitoring/backup production well (Backup Well) located 30 feet away from the Primary Well have been developed in a productive fractured bedrock aquifer located to the northwest of the mining areas. The Primary Well would provide water via pipelines for the proposed operations. The Backup Well would be used during maintenance of the Primary Well and to augment operational water as required.

The Proposed Action includes the following activities and facilities (shown on Figure 2):

- Two open pits (Centennial Pit and Seligman Pit);
- Waste rock disposal area (upper and lower WRDA);
- Ore stockpile and crushing facility with generators;
- Transfer of ore off site for processing via underground conveyance;
- Mine operations office and truck shop facilities;
- Access and haul roads;
- Power lines:
- Water supply well and associated infrastructure including pipelines; and
- Exploration drill roads, pads, and laydown areas.

²The open pits would not be reclaimed.

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During full operation, planned mining would require four crews operating on 12-hour rotating shifts. Crews would be offered daily transport to the Project in company-supplied vans from the towns of Ely and Eureka. Mining operation manpower during peak production years would include a total of approximately 42 equipment operators, 12 maintenance personnel, and 13 support personnel. In addition, two contract personnel would work on an as-needed basis for blast hole loading and initiation. Occasionally, additional contract personnel would report to the mine site to provide professional support. The work force would vary between approximately 69 to 82 people during full operation.

RECLAMATION

The final grading plan for reclaiming the Project is designed in part to minimize the visual impacts of the disturbance proposed by MHLLC. Slopes of disturbed areas outside of the pits would be regraded with standard mine equipment (dozers, trucks, loaders, scrapers) to blend with surrounding topography, interrupt straight-line features and facilitate revegetation, where practicable. Where feasible, large constructed topographic features, such as the Waste Rock Disposal Area, the Crusher Pad and the Truck Shop area would have rounded crests and lessened slope angles to resemble natural landforms. The open pits would remain as depressions and would not be reclaimed.

COMMENTS WELCOME

The USFS is now seeking public comments specific to the proposed Project. Comments will be used to identify potential issues or alternative related to the proposed actions and will assist the agency in analyzing the effects of the proposed action. During analysis of the Project, the participation of interested persons, state and local governments, and Indian tribes is encouraged at this time and throughout the process.

HOW TO COMMENT AND TIMEFRAME

Written comments must be submitted to the Responsible Official: Jose Noriega, Ely Ranger District, 825 Avenue E, Ely, Nevada 89301; phone (775) 289-3031, fax (775) 289-2132; or you may hand-deliver your comments during normal business hours from 8:00 a.m. to 4:30 p.m., Monday through Friday, excluding federal holidays to 825 Avenue E, Ely, Nevada. Electronic comments must be submitted in a format such as an email message, plain text (.txt), rich text format (.rtf), or Word (.doc) to this email address: comments-intermtn-humboldt-toiyabe-ely@fs.fed.us. Email comments may also be sent to inoriega@fs.fed.us. Comments are requested by Close of Business July 26, 2013.

Comments received in response to this solicitation, including names and addresses of those who comment, will be considered part of the public record for this Project and will be available for public inspection and will be released if requested under the Freedom of Information Act.

For more information on the NEPA process or this project please contact Jose Noriega, Ely District Ranger at (775) 289-5100 or Susan Elliot, Forest Geologist and Project Lead, at (775) 778-6123.



